

2022

INVESTOR PRESENTATION

Second Quarter



Cautionary Note Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including without limitation those about Popular, Inc.’s (“Popular” or the “Corporation”) acquisition of certain assets and assumption of certain liabilities from Evertec, Inc. and the transactions described in this presentation (the “Transaction”), as well as the financial effects and business opportunities from the Transaction. These statements are not guarantees of future performance, are based on the current expectations of Popular’s management and, by their nature, involve risks, uncertainties, estimates and assumptions. Potential factors, some of which are beyond the Corporation’s control, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. More information on the risks and important factors that could affect the Corporation’s future results and financial condition is included in our Annual Report on Form 10-K for the year ended December 31, 2021 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2022 and June 30, 2022 as filed with the Securities and Exchange Commission. Our filings are available on the Corporation’s website (www.popular.com) and on the Securities and Exchange Commission website (www.sec.gov). The Corporation assumes no obligation to update or revise any forward-looking statements which speak as of their respective dates.

Earnings

- Net income of \$211 million
- Net interest margin: Popular, Inc. 3.09%, BPPR 3.02%

Credit Metrics

- NPLs decreased \$42 million QoQ; NPL ratio at 1.6% vs. 1.8% in Q1 2022
- NCO ratio at 0.08% compared to 0.05% the previous quarter
- ACL-to-NPL ratio at 143% vs. 130% in Q1 2022

Capital

- Common Equity Tier 1 Capital ratio of 16.4%
- Tangible book value per share of \$46.18 compared to \$51.16 in Q1 2022; primarily due to unrealized losses on debt securities

Recent Events

- On July 1, completed the acquisition of key customer channels from Evertec; amended and restated service agreements
- On July 12, completed the previously announced \$400 million Accelerated Share Repurchase Agreement (ASR); total shares repurchased were 5.1 million at an average price of \$78.94

BPPR Customer Engagement

- Total customers reached 1.96 million, an increase of 6,000 from Q1 2022 and 26,000 higher than Q2 2021
- 1.1 million customers or 57% of our total customers are active online users¹
- Deposits captured through digital channels were 64% in Q2 2022, compared to 68% in Q2 2021

Business Metrics

BPPR:

- Commercial loans, excluding PPP, increased \$327 million or 4% from Q1 2022
- Auto and lease financing portfolio increased \$114 million or 2% from Q1 2022
- Mortgage originations were 42% lower than Q2 2021
- Credit and debit card sales (in dollars) were 1% lower than Q2 2021
- P.R. public funds at \$17 billion as of June 2022, an increase of \$2 billion from Q1 2022
- Deposits, excluding P.R. public funds, flat QoQ
- Total deposit cost increased two basis points QoQ to 0.14%

Popular Bank:

- Commercial loans, excluding PPP, increased \$275 million or 4% from Q1 2022
- Total deposit cost increased six basis points QoQ to 0.42%

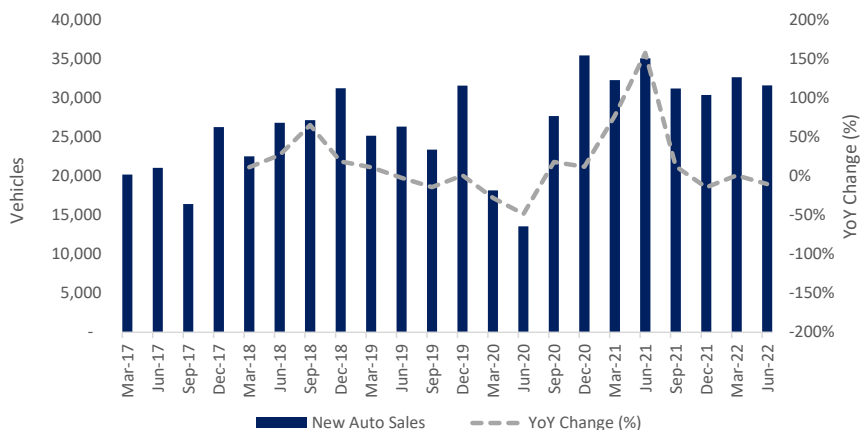
¹ Customers who have logged on to Popular's web and/or mobile platform in the past 30 days

Puerto Rico – Key Indicators

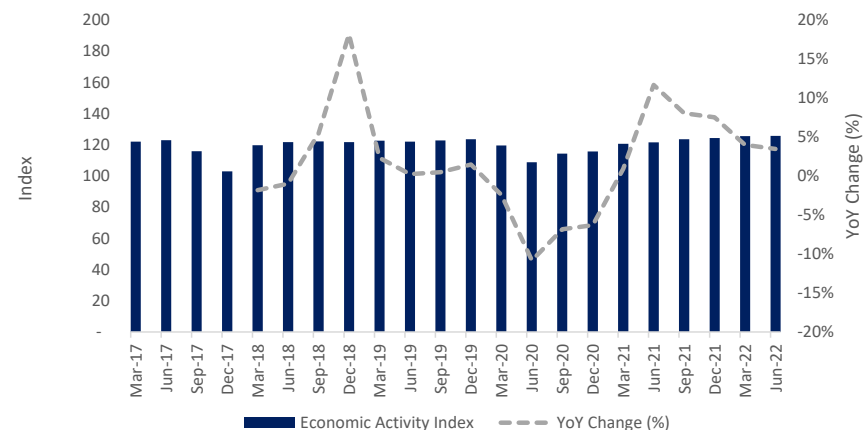
Economy

- New auto sales have stabilized but continue to demonstrate strong consumer demand
- The Puerto Rico Economic Activity Index remains in an upward trend
- Employment is robust, while the unemployment rate continues to be at multi-decade lows

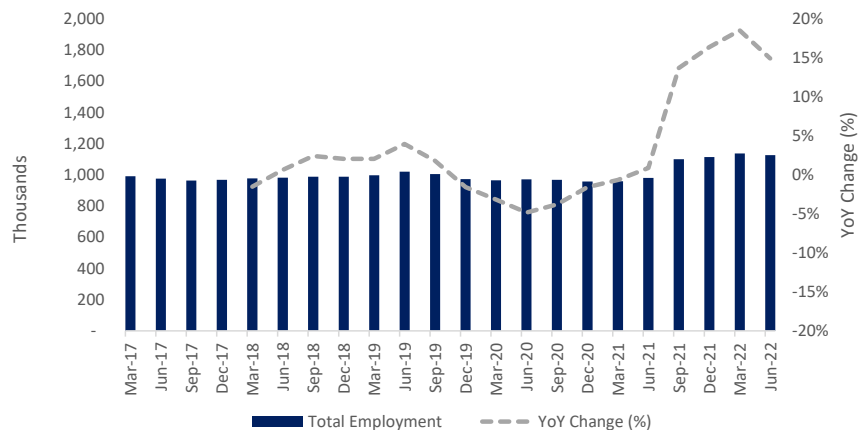
Quarterly New Auto Sales¹



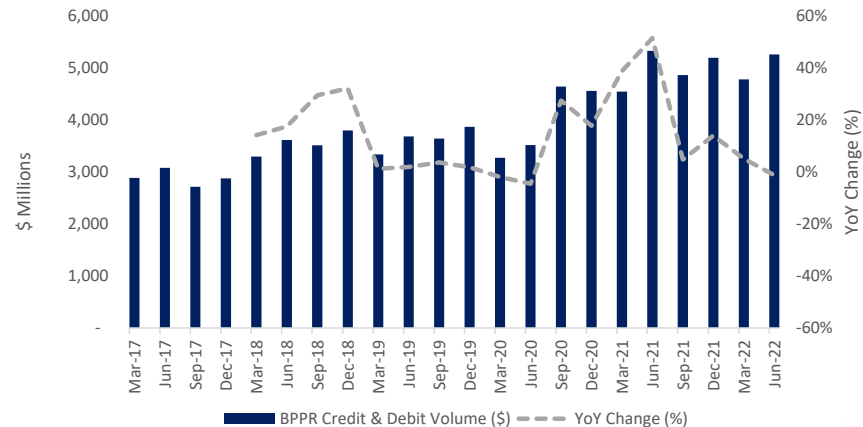
Economic Activity Index²



Total Employment³



Quarterly BPPR Credit & Debit Volume (\$)⁴



¹Source: United Automobile Importers Group (based on units) as of June 2022; ²Source: Puerto Rico Economic Development Bank, as of May 2022; ³Source: U.S. Bureau of Labor Statistics (Seasonally Adjusted) as of June 2022; ⁴ Credit and debit card sales pertain to BPPR customers only as of June 2022

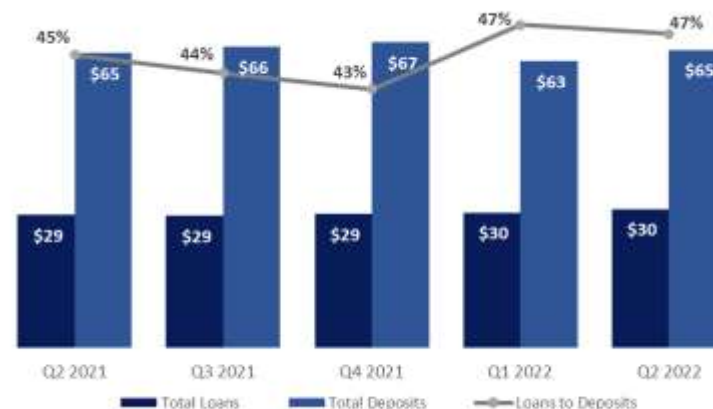
Financial Summary

<i>(Unaudited)</i>			
<i>(\$ in thousands)</i>	Q2 2022	Q1 2022	Variance
Net interest income	\$ 533,862	\$ 494,312	\$ 39,550
Service charges on deposits	41,809	40,713	1,096
Other service fees	81,451	77,134	4,317
Mortgage banking activities	13,575	12,865	710
Other non-interest income	20,576	23,980	(3,404)
Gross revenues	691,273	649,004	42,269
Provision for credit losses (benefit)	9,362	(15,500)	24,862
Net revenues	681,911	664,504	17,407
Personnel costs	168,788	166,996	1,792
Net occupancy expenses	26,214	24,723	1,491
Equipment expenses	25,088	23,479	1,609
Programming, processing and other technology services	73,305	69,374	3,931
Other professional fees	41,567	39,123	2,444
Business promotion	21,353	15,083	6,270
Other real estate owned (OREO) income	(7,806)	(2,713)	(5,093)
Other operating expenses	57,769	66,274	(8,505)
Total operating expenses	406,278	402,339	3,939
Income before income tax	275,633	262,165	13,468
Income tax expense	64,212	50,479	13,733
Net income	\$ 211,421	\$ 211,686	\$ (265)
EPS	\$ 2.77	\$ 2.69	\$ 0.08
ROTE	16.70%	16.40%	0.30%

Net Interest Margin Dynamics

- Q2 2022 net interest margin at 3.09%; FTE¹ net interest margin at 3.45%, an increase of 40 basis points
- Money market and investment securities to earning assets ratio at 55%
- FTE loan yield increased eight basis points QoQ to 6.14%
- Total deposit cost at 0.17%, slightly higher than Q1 2022

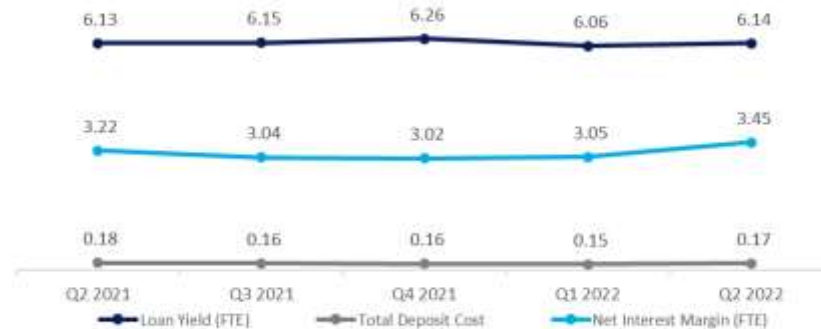
Total Loans and Deposits (\$ in billions)²



Money Market and Investment Securities (\$ in billions)²



Loan Yields, Deposit Cost and NIM (FTE)

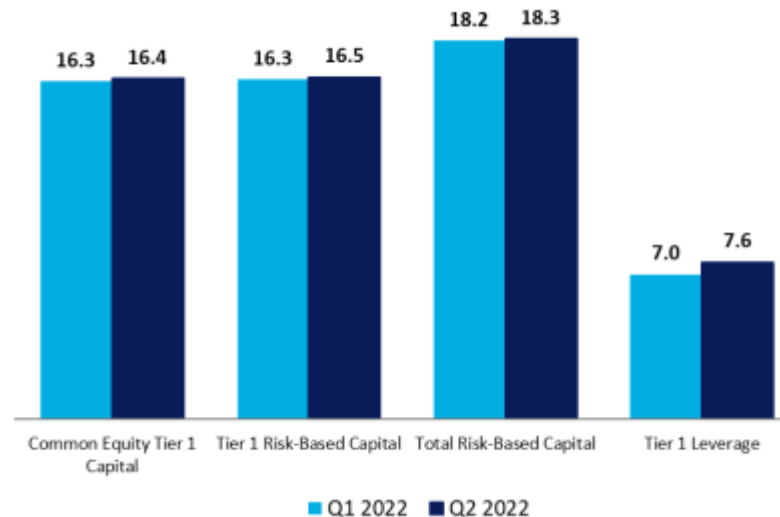


¹ FTE stands for fully taxable-equivalent basis. Represents a non-GAAP financial measure. See the Corporation's earnings press release, Form 10Q and Form 10K filed with the Securities and Exchange Commission for the applicable periods, for a GAAP to non-GAAP reconciliation

² Balances are at end of period
Differences due to rounding

- Robust capital levels; Common Equity Tier 1 of 16.4%
- Leverage ratio of 7.6% impacted by the high proportion of zero-risk weighted assets on the balance sheet, which represented 45% of total assets
- 2022 capital actions:
 - On July 1, completed the acquisition of key customer channels from Evertec
 - On July 12, completed the previously announced \$400 million ASR; total shares repurchased were 5.1 million at an average price of \$78.94
 - Increased quarterly common stock dividend to \$0.55 per share from \$0.45
- Tangible book value per share of \$46.18, a decrease of \$4.98 from prior quarter, mainly driven by the \$563 million increase in accumulated unrealized losses on fixed rate debt securities available for sale

Capital Ratios (%)

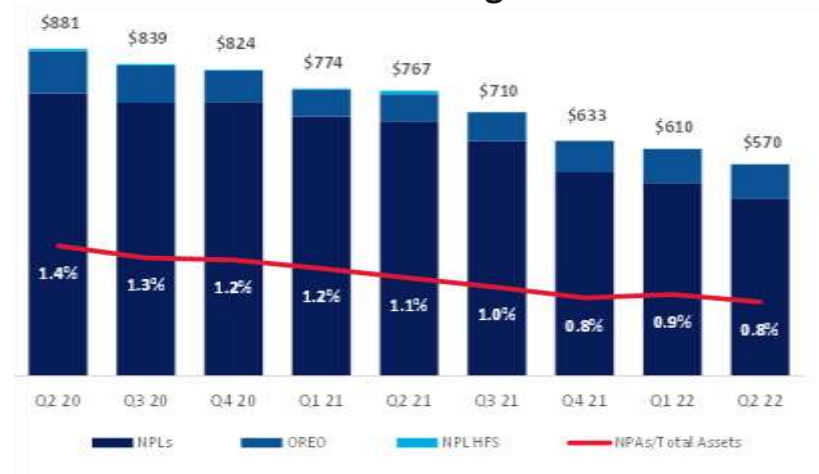


Note: Estimated for the current period

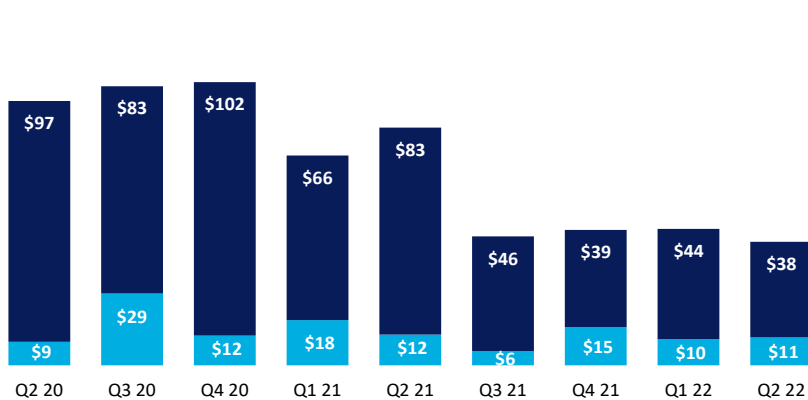
Non – Performing Assets

- NPAs and NPLs decreased by \$40 million and \$42 million QoQ, respectively
 - NPL inflows decreased by \$5 million QoQ, mostly due to lower P.R. commercial and mortgage inflows by \$4 million and \$2 million, respectively
 - P.R. NPLs at \$445 million, or 2.1% of loans, down by \$42 million, mostly driven by lower mortgage and commercial NPLs by \$22 million and \$21 million, respectively
 - U.S. NPLs at \$33 million, or 0.4% of loans, flat QoQ
- OREO increased by \$2 million QoQ

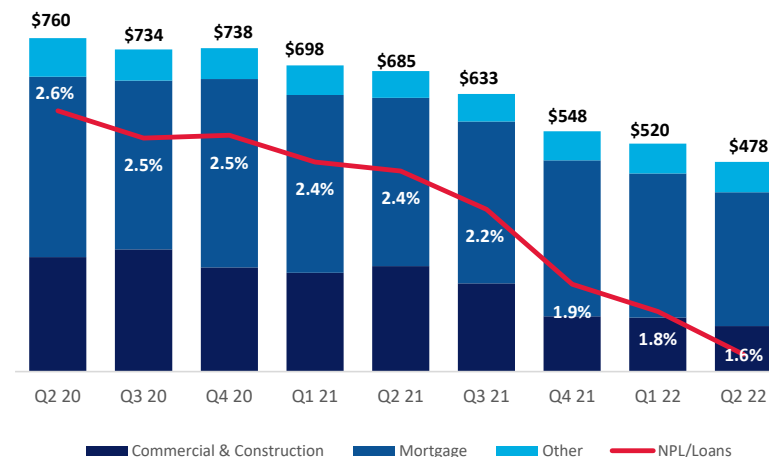
Non-Performing Assets*



Total NPL Inflows*



Non-Performing Loans*



*Dollars in millions
Differences due to rounding

■ U.S. Inflows

■ P.R. Inflows

■ Commercial & Construction

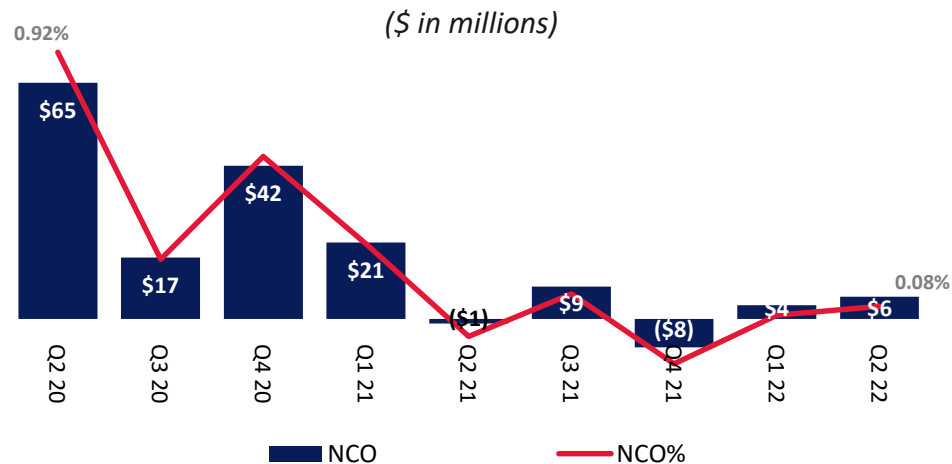
■ Mortgage

■ Other

— NPL/Loans

- NCOs of \$6 million, increasing by \$2 million QoQ
 - BPPR's NCOs at \$5 million, flat QoQ
 - PB's NCOs at \$1 million vs. a net recovery of \$2 million the prior quarter
- NCO ratio at 0.08% vs. 0.05% in Q1 2022
- ACL at \$682 million, increasing by \$4 million QoQ, mainly driven by higher loan volumes and changes in macroeconomic scenarios
- ACL-to-Loans ratio at 2.24% vs. 2.29% in Q1 2022
- ACL-to-NPLs at 143% vs. 130% in Q1 2022

NCOs and NCO-to-Loan Ratio



	Balance	Reserve Build	Balance	Reserve Build	Balance	ACL/Loan
(\$ in millions)	12/31/21	(Release)	03/31/22	(Release)	06/30/22	06/30/22
Commercial ¹	\$ 222	\$ (11)	\$ 211	\$ 5	\$ 217	1.41%
Mortgage	154	(5)	149	(1)	148	2.04%
Leases	18	1	18	1	19	1.29%
Consumer:						
Credit Cards	43	0	44	2	45	4.69%
Personal Loans	88	0	88	10	98	5.77%
Auto	154	(2)	152	(13)	139	4.00%
Other	16	(0)	15	(0)	15	10.88%
Total Consumer	301	(2)	299	(1)	298	4.73%
Total ACL	\$ 695	\$ (18)	\$ 678	\$ 4	\$ 682	2.24%

Allowance for Credit Losses – Q2 2022 Movement

ACL Movement:

- Moody's Q2 2022 forecast continues to show economic growth, albeit at a slower rate
- Slight increase in reserves due to revision to prior periods' employment scenarios
- Qualitative reserves and portfolio changes mainly influenced by higher loan volume, partially offset by favorable credit quality

Economic Scenarios:

- Baseline scenario is assigned the highest probability, followed by the S3 (pessimistic) scenario
- Reductions in forecasted GDP growth are influenced by higher global energy prices, tighter financial markets and changes in fiscal assumptions
- The 2022 P.R. unemployment rate shows a near term improvement due to continued strength in the labor market. The 2023 forecast for both U.S. and P.R. is unchanged

ACL Movement (in millions)*



Economic Activity				
U.S.				
Projections at:	Scenario Description	2022	2023	
1Q22	Baseline	3.7%	3.0%	
	S1 - Stronger Growth	5.1%	3.8%	
	S3 - Recession	0.9%	-0.1%	
2Q22	Baseline	2.8%	2.7%	
	S1 - Stronger Growth	3.3%	4.6%	
	S3 - Recession	1.7%	-1.3%	
P.R.				
1Q22	Baseline	3.5%	2.6%	
	S1 - Stronger Growth	4.4%	3.1%	
	S3 - Recession	1.5%	0.6%	
2Q22	Baseline	2.8%	2.7%	
	S1 - Stronger Growth	3.1%	4.0%	
	S3 - Recession	2.0%	0.1%	

Unemployment Rates (UR)			
U.S.			
Projections at:		2022	2023
1Q22	Baseline	3.6%	3.4%
	S1	3.3%	2.9%
	S3	6.0%	7.7%
2Q22	Baseline	3.5%	3.4%
	S1	3.3%	2.9%
	S3	4.8%	7.6%
P.R.			
1Q22	Baseline	7.3%	7.6%
	S1	7.1%	7.2%
	S3	8.8%	10.4%
2Q22	Baseline	6.9%	7.6%
	S1	6.7%	7.1%
	S3	7.7%	10.4%

Franchise

- Market leader in Puerto Rico
 - Well-positioned to take advantage of the ongoing economic recovery
 - Focus on customer service supported by broad branch network
 - Differentiated digital offering for retail and commercial customers
 - Diversified fee income driven by unmatched product breadth
 - Strong risk-adjusted loan margins driven by a well-diversified portfolio
 - Substantial liquidity with strong deposit franchise
- Mainland U.S. banking operation provides geographic diversification
 - Commercial led strategy focused on small and medium sized businesses
 - Branch footprint in South Florida and New York Metro
 - National niche banking focus on homeowners' associations, healthcare and non-profit organizations

Capital

- 2022 capital actions:
 - On July 1, completed the acquisition of key customer channels from Evertec
 - On July 12, completed the previously announced \$400 million ASR
 - Increased quarterly common stock dividend to \$0.55 per share from \$0.45

ESG

- Our business provides a powerful platform to make a difference in the lives of our customers, colleagues, communities and shareholders
- Issued our ninth Corporate Sustainability Report (CSR)

Additional Value

- Investments in Evertec and Banco BHD León

2022

INVESTOR PRESENTATION

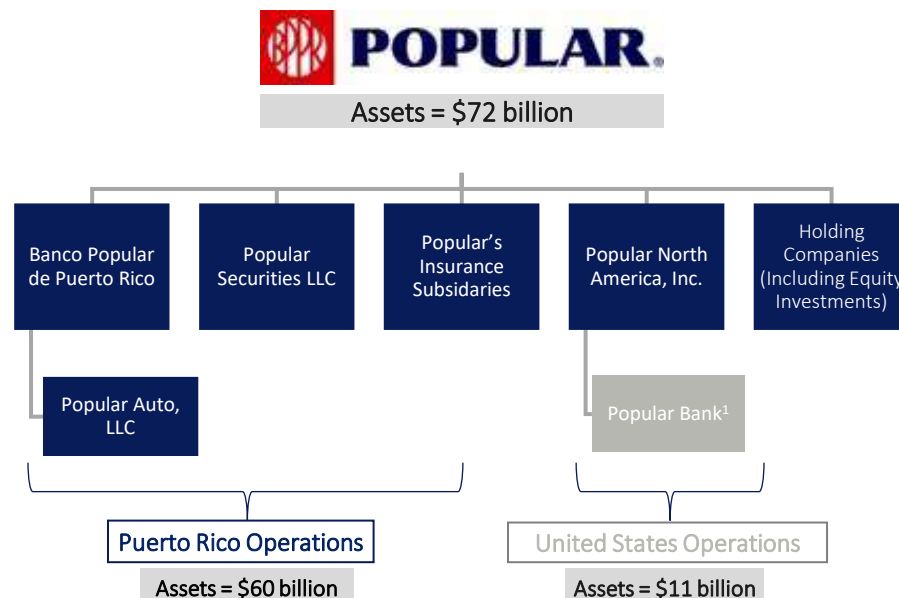
Second Quarter
Appendix



Franchise

Industry	Financial services
Headquarters	San Juan, Puerto Rico
Assets	\$72 billion (among top 50 BHCs in the U.S.)
Loans	\$30 billion
Deposits	\$65 billion
Banking branches	159 in Puerto Rico, 39 in the U.S. (28 in New York and New Jersey and 11 in Florida) and 10 in the U.S. and British Virgin Islands
NASDAQ ticker symbol	BPOP
Market Cap	\$6 billion

Summary Corporate Structure



Selected equity investments

EVERTEC and Banco BHD León under Corporate segment



- Transaction processing, business processes outsourcing
- 16.3%² stake
- Adjusted EBITDA of \$75.4 million for the quarter ended March 31, 2022



- Dominican Republic bank
- 15.8% stake
- 2021 net income of \$179 million

Information as of June 30, 2022

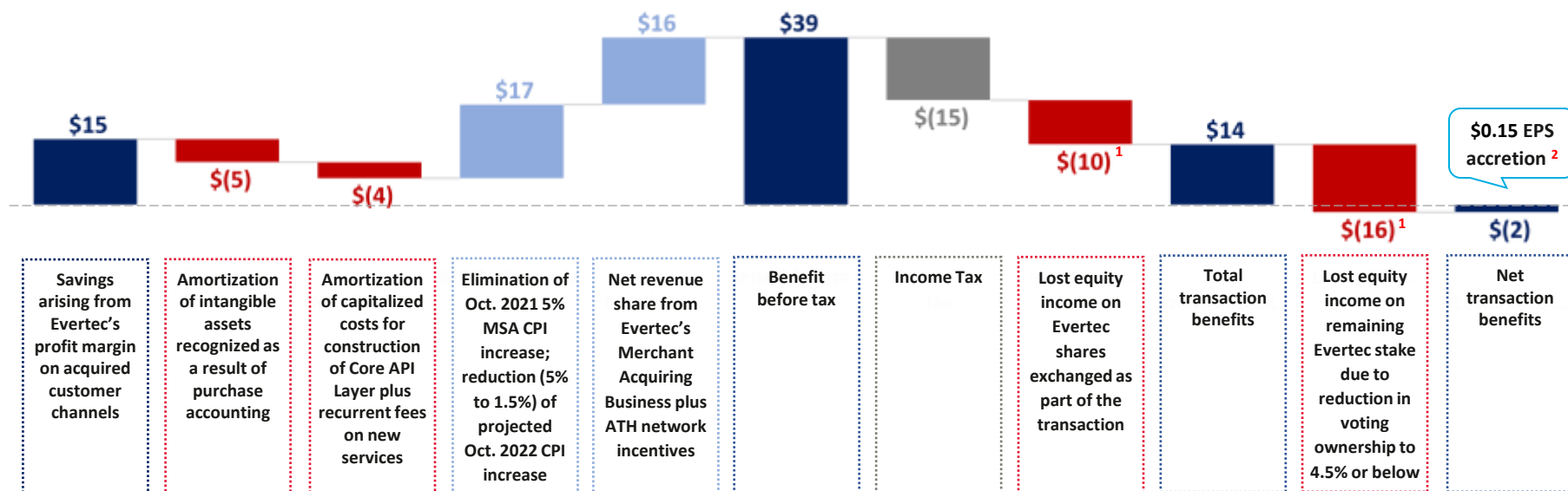
¹ Doing business as Popular

² Reduced to 10.6% on July 1, 2022

Financial Impact of Evertec Transaction

The recently completed acquisition of key customer channels from Evertec and related amendment and restatement of our service agreements with Evertec is expected to provide approximately \$14 million in financial benefits in 2023 after giving effect to the loss of equity pick up earnings from the Evertec shares transferred as consideration for the acquisition. This benefit is expected to be offset by the elimination of Popular's equity pick up earnings from its remaining investment in Evertec upon the reduction of Popular's voting ownership stake to 4.5% or below

Illustrative Impact on after-tax earnings (FY2023, in millions)



Capital Impact

- The acquisition of key customer channel assets results in a negative impact of \$55 million in Tangible Book Value, representing the net effect of the after-tax gain of \$112 million from the Evertec shares used as consideration minus \$167 million in goodwill and other intangible assets recognized in connection with the transaction and the effect of other purchase accounting-related adjustments
- Subsequent reduction of our voting interest in Evertec to no more than 4.5% would result in approximately \$177 million in after-tax gains as a result of mark-to-market accounting on remaining 10.6% stake (assuming a value per share of \$36.88, Evertec's share price on June 30, 2022)
- Popular expects to sell down its stake in Evertec to no more than 4.5% and intends to return to shareholders, via common stock repurchases, any after-tax gains resulting from such sale, subject to the receipt of regulatory approvals

¹ Based on the 2021 share of Evertec's changes in equity recognized by Popular in income

² Assumes Popular reduces its stake in Evertec to 4.5% via sale and deploys the resulting after-tax gains (\$102 million, assuming a value per share of \$36.88, Evertec's share price on June 30, 2022) to execute common stock repurchases (assuming a value per share of \$76.93, Popular's share price on June 30, 2022) and gives effect to the aggregate pro forma impact of the Evertec transaction and the effect of mark-to-market accounting on the remainder of Popular's stake in Evertec

Business Segments



<i>(Unaudited)</i>	BPPR		
<i>(\$ in millions)</i> Financial Results	Q2 2022	Q1 2022	Variance
Net interest income	\$ 448	\$ 415	\$ 33
Non-interest income	144	136	8
Gross revenues	592	551	41
Provision for credit losses (benefit)	9	(14)	23
Operating expenses	350	347	3
Income before income tax	233	218	15
Income tax expense	53	39	14
Net income	\$ 180	\$ 179	\$ 1

Popular U.S.		
Q2 2022	Q1 2022	Variance
\$ 93	\$ 87	\$ 6
5	6	(1)
98	93	5
1	(2)	3
58	56	2
39	39	-
11	12	(1)
\$ 28	\$ 27	\$ 1

<i>(\$ in millions)</i>	Q2 2022	Q1 2022	Variance
Balance Sheet Highlights			
Total assets	\$60,436	\$58,719	\$ 1,717
Total loans	21,475	21,032	443
Total deposits	57,300	55,129	2,171

Q2 2022	Q1 2022	Variance
\$10,821	\$10,579	\$ 242
8,889	8,576	313
8,479	8,140	339

Asset Quality	Q2 2022	Q1 2022	Variance
Non-performing loans held-in-portfolio / Total loans held-in-portfolio	2.07%	2.32%	(0.25)%
Non-performing assets / Total assets	0.89%	0.98%	(0.09)%
Allowance for credit losses / Total loans held-in-portfolio	2.70%	2.74%	(0.04)%
Net interest margin	3.02%	2.67%	0.35%

Q2 2022	Q1 2022	Variance
0.37%	0.39%	(0.02)%
0.32%	0.33%	(0.01)%
1.14%	1.18%	(0.04)%
3.76%	3.56%	0.20%

The Corporation does not own any loans to the P.R. central government or its public corporations. As of June 30, 2022, our direct exposure to P.R. municipalities was \$352 million, up by \$6 million QoQ

Municipalities

Obligations of municipalities are backed by real and personal property taxes, municipal excise taxes, and/or a percentage of the sales and use tax

Indirect Exposure

Indirect exposure includes loans or securities that are payable by non-governmental sources of repayment, but which carry a government guarantee to cover any shortfall in collateral in the event of borrower default. The majority are single-family mortgage related

Activity Since June 30, 2022

On July 1, 2022 we received \$28 million in principal payments, reducing the direct exposure to municipalities to \$324 million

Outstanding P.R. government exposure

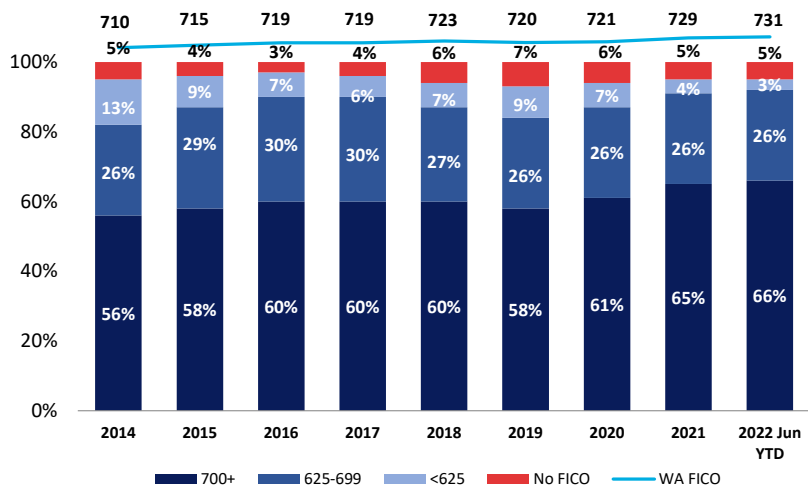
(\$ in millions)

	Loans	Securities	Total
Municipalities	\$ 325	\$ 27	\$ 352
Indirect Exposure	\$ 220	\$ 42	\$ 262

FICO Mix of Consumer Originations

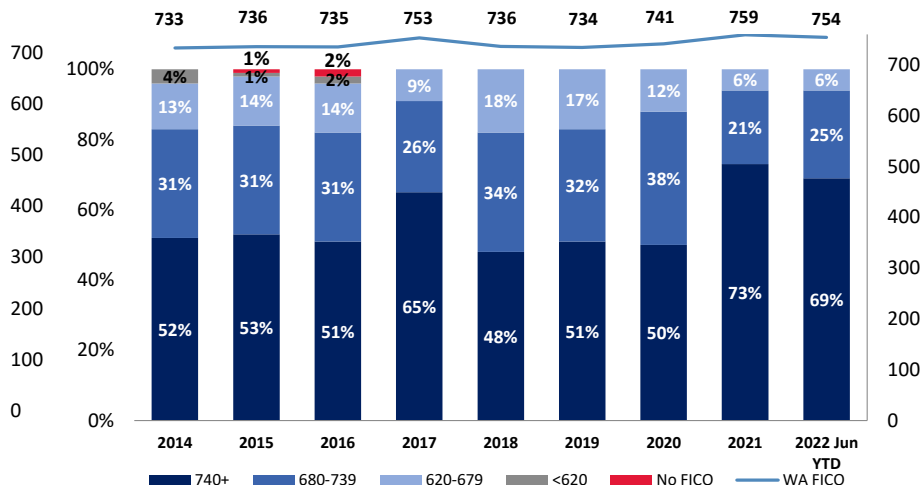
Auto Loans

FICO Mix of Originations (% of Approved Amount)



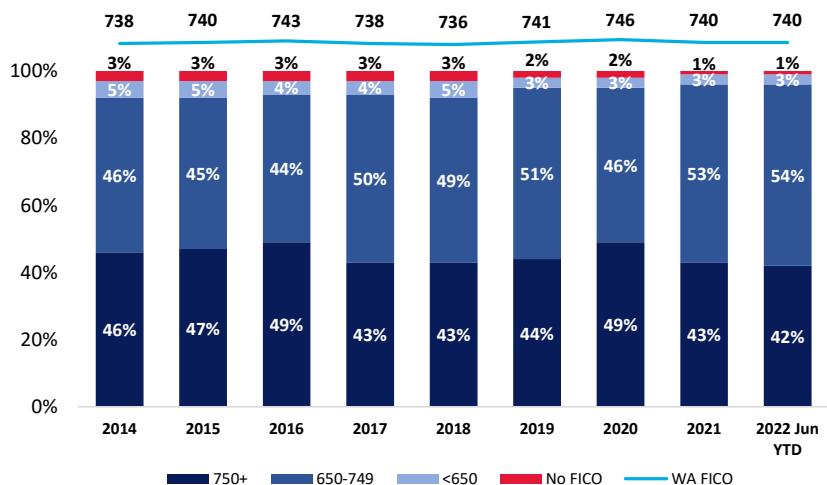
PR Mortgage Originations (Non-Conforming)

By Year and Original FICO (% of Mortgage Amount)



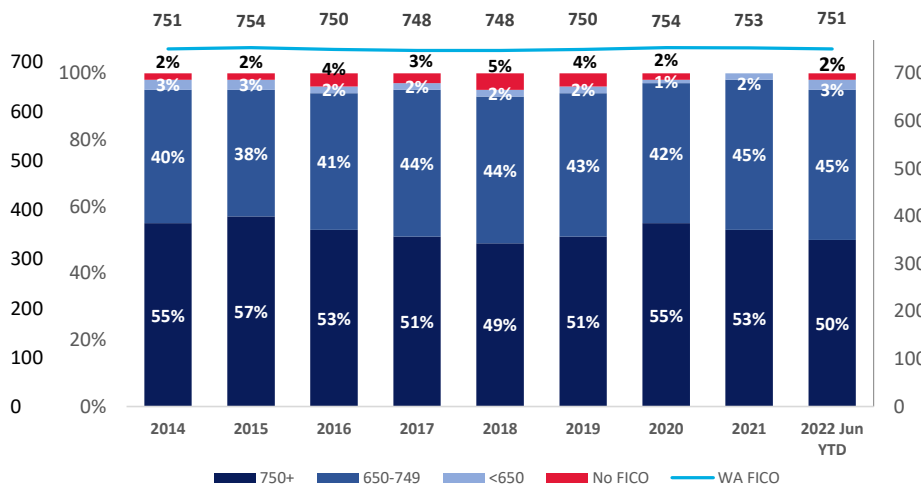
PR Unsecured Personal Installment Loans

FICO Mix of Originations (% of Approved Amount)

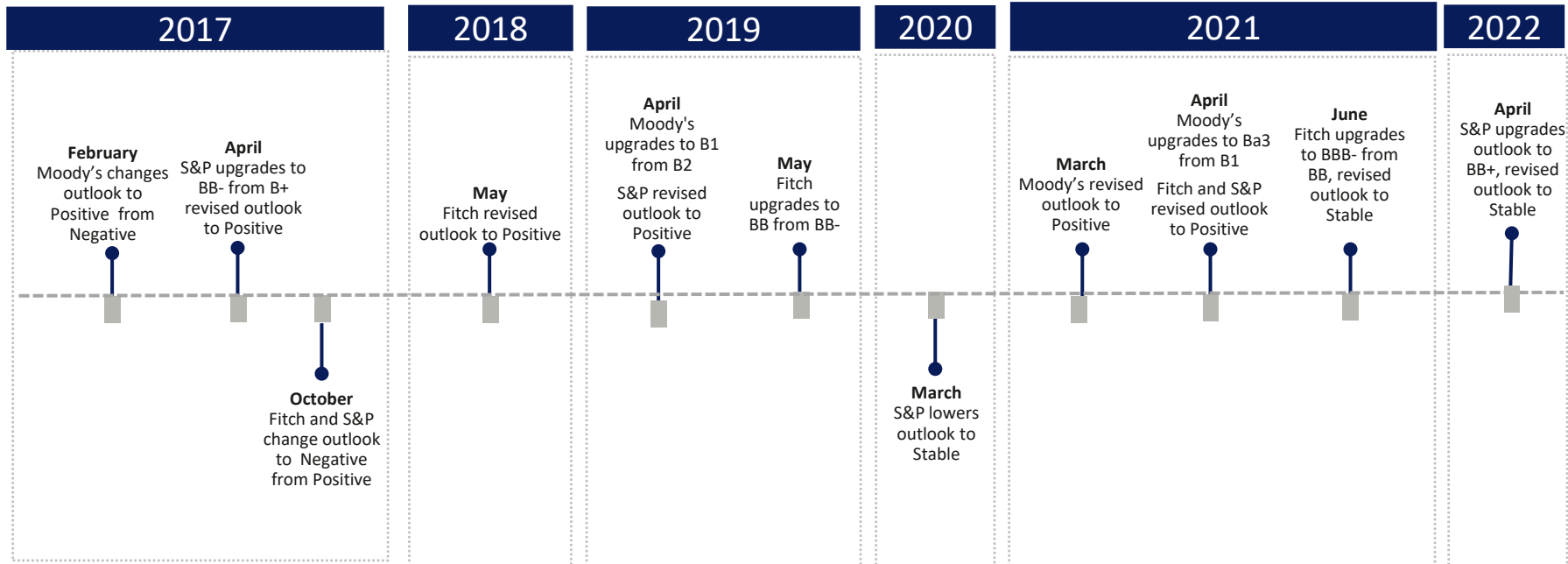


Credit Cards

FICO Mix of Originations (% of Approved Amount)



Senior Unsecured Ratings		
Moody's	Ba3	Positive Outlook
Fitch	BBB-	Stable Outlook
S&P	BB+	Stable Outlook



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